

Bill prohibits corporations convicted of a felony from receiving federal dollars

Washington, DC –Congresswoman Betty McCollum (MN-04) is circulating a ‘Dear Colleague’ encouraging Members of the U.S. House to co-sponsor the Against Corporations Organizing to Rip-off the Nation Act of 2009 (ACORN Act). The bill prohibits corporations with a felony conviction from receiving any federal funding for the five years after the conviction, prohibits corporate felons from making federal campaign contributions for five years, and limits the lobbying the corporation can do during that period. Congresswoman McCollum will formally introduce the ACORN Act on Wednesday, September 30, 2009.

To read the bill, [click here](#). The text of the Dear Colleague is below.

Congresswoman Betty McCollum (MN-4) serves on the House Appropriations & Budget Committees.

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Government: Dear Colleague: Become an Original Co-Sponsor of the ACORN Act

From: The Honorable Betty McCollum

Date: 9/29/2009

Stop Corporate Crooks: Co-sponsor the

“Against Corporations Organizing to Rip-off the Nation Act of 2009”

(The ACORN Act)

Corporate Felons Rip-off Taxpayers,

Shower Contributions on Congress, and

Continue to Cash-in on Federal Contracts

Deadline for Originals: Noon Wednesday

“If ACORN broke the law, it should be punished; however, Congress also needs to crack down just as rigorously on the contractors who take an even larger share of taxpayers’ money and have committed far more, or far more egregious, acts of misconduct.”

[The Project on Government Oversight, 9/22/09]

Dear Colleague:

Corporate fraud costs taxpayers billions each year. Action is needed to protect taxpayers and defund corporations guilty of using fraud as a business strategy.

Congress took action to defund one non-profit serving poor Americans – ACORN – but not against the billion dollar corporations that are actually guilty of felonies. For the 345 Members of Congress who voted to defund ACORN this bill is an opportunity to support corporate accountability and responsibility while punishing corporate crime.

The ACORN Act (Against Corporations Organizing to Rip-off the Nation Act of 2009) is modeled after H.R. 3571 but respects the Constitution by requiring a corporation to be guilty of a felony before federal funds are cut off.

The ACORN Act:

- Prohibits a corporation with a felony conviction from receiving any federal contracts,

grants, or funds in any form for five years.

- Prohibits federal employees or contractors from promoting corporate felons for five years.
- Prohibits corporate felons or any applicable individual from contributing to a candidate for federal office, to a political party, or to a federal political action committee for five years.
- Limits the corporation or any applicable individual to no more than \$1 million annually for lobbying Congress or federal officials for a 5 year period.
- Provides presidential waiver authority if federal contracts, grants, and other agreements with corporate felons are determined to be in the national interest.

EXAMPLE: On September 2, 2009 the Department of Justice announced Pfizer Inc. and its subsidiary Pharmacia & Upjohn Company Inc. plead guilty to a felony violation of intent to defraud or mislead Medicare, Medicaid, and other government insurance programs. Pfizer agreed to pay \$2.3 billion – \$1.3 billion in criminal restitution and \$1 billion to resolve civil allegations of paying kickbacks. Yet, a corporate analyst said, “while \$2.3 billion ain’t chicken feed, it’s affordable.”

But according to the Director of the Defense Department’s Criminal Investigative Services, “This illegal activity (Pfizer’s) increases patients’ costs, threatens their safety and negatively affects the health care services to the over nine million military members, retirees and their families who rely on this system.”

Take real action to stop corporate fraud, waste, and abuse by becoming an original co-sponsor of The ACORN Act.

To read the bill, [click here](#).

Sincerely,

Betty McCollum

Member of Congress